

Entitlement Payments (Childcare)

DESCRIPTION OF MAJOR SERVICES

All childcare programs administered by the Transitional Assistance Department (TAD) are budgeted within this unit. This expanded program is one of the major programs of federal welfare reform and the resulting state CalWORKs program. The expanded programs are intended to fund childcare for CalWORKs recipients that are seeking employment or have obtained employment and continue through employment stabilization for a period of up to two years. This budget unit also incorporates the program that funds childcare for families in which the child is under the auspices of the Department of Children's Services and is at risk of parent abuse or neglect. Childcare provider payments are 100% federal and state funded through reimbursements by the state.

There is no staffing associated with this budget unit.

BUDGET AND WORKLOAD HISTORY

| | Actual 2003-04 | Budget 2004-05 | Estimate 2004-05 | Proposed 2005-06 |
|----------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|
| Appropriation | 83,601,688 | 82,397,695 | 81,919,224 | 85,905,228 |
| Departmental Revenue | 83,601,688 | 82,397,695 | 81,919,224 | 85,905,228 |
| Local Cost | - | - | - | - |

Workload Indicators

| | | | | |
|--------------------------|--------|--------|--------|--------|
| Average Monthly Caseload | 19,148 | 18,682 | 18,520 | 18,854 |
| Average Monthly Aid | \$367 | \$368 | \$371 | \$380 |

| Program | FY 04/05 Budget | Actual Contract / Allocation Amounts | Add'l Contract / Allocation Amounts | Total Funding |
|-------------------------|--------------------|---|--|-------------------|
| Stage 1 CalWORKs | 38,330,355 | 41,918,512 | - | 41,918,512 |
| Stage 2 Contracts | 30,656,745 | 29,605,468 | - | 29,605,468 |
| Stage 3 Contracts | 9,240,928 | 2,054,968 | 5,962,824 | 8,017,792 |
| Alternative Payment | - | - | - | - |
| Contract State contract | - | - | - | - |
| (Child Protective | - | - | - | - |
| Services) | 1,097,971 | 1,171,374 | 101,706 | 1,273,080 |
| Federal Block Grant | - | - | - | - |
| State contract (working | - | - | - | - |
| poor) | 3,071,695 | 3,046,172 | 98,438 | 3,144,610 |
| Total | 82,397,694 | 77,796,494 | 6,162,968 | 83,959,462 |

(Not including administrative costs calculated at approx 10.3% of actual allocation)

Actual allocations/grants are higher than budgeted as a result of allocation augmentations to the California Department of Education (CDE) Stage 3, Alternate Payment (CPS) and Federal AP (FAPP) programs. Appropriations and revenues have been adjusted as necessary, however, anticipated augmentations based on caseload need, will be adjusted as appropriate during the current fiscal year. In August 2004 the CDE released the allocations to the Counties for Stages 2 and 3, CPS and the Federal Block Grant. On August 17th, the department presented to the Board these 2004 allocations. The Board of Supervisors approved augmentations to the following allocations: Stage 3 allocations on November 9, 2004 (\$5,175,225) and March 1, 2005 (\$1,500,000); CPS allocation on November 23, 2004 (\$29,075); and, FAPP allocation on March 22, 2005 (\$63,707) respectively. Actual program allocations to date are \$83,959,462.

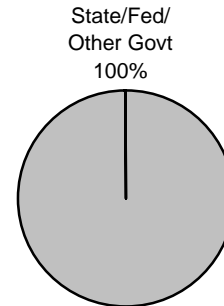
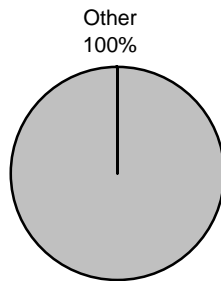
Based on caseload trends for the fifteen-month period between July 2003 and February 2005, it is projected that expenditures will be \$81,919,224, under budget by approximately \$478,000 and under the current allocation by approximately 2.0 million. This decrease in expenditures is based on changes to legislation that decreased the amount reimbursed to childcare providers. Caseloads are projected to decrease 3.9% from 2003-04 as a result of more efficient methods of case review provided by the conversion to Consortium IV (C-IV). C-IV is the new automated case management system implemented in San Bernardino County in September 2004.

Childcare provider payments are 100% federal and state funded through reimbursements by the state.



2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY

2005-06 BREAKDOWN BY FINANCING SOURCE



GROUP: Human Services System
DEPARTMENT: Entitlement Payments
FUND: General

BUDGET UNIT: AAA ETP
FUNCTION: Public Assistance
ACTIVITY: Aid Programs

ANALYSIS OF 2005-06 BUDGET

| | A | B | C | D | B+C+D E | F Department Recommended Funded Adjustments (Schedule A) | E+F G |
|-----------------------------|----------------------------------|-------------------------|---|----------------------------------|-------------------------------------|---|-------------------------------|
| | 2004-05 Year-End Estimates | 2004-05 Final Budget | Cost to Maintain Current Program Services | Board Approved Adjustments | Board Approved Base Budget | | 2005-06 Proposed Budget |
| Appropriation | | | | | | | |
| Other Charges | 81,919,224 | 82,397,695 | 3,507,533 | - | 85,905,228 | - | 85,905,228 |
| Total Appropriation | 81,919,224 | 82,397,695 | 3,507,533 | - | 85,905,228 | - | 85,905,228 |
| Departmental Revenue | | | | | | | |
| State, Fed or Gov't Aid | 81,919,224 | 82,397,695 | 3,507,533 | - | 85,905,228 | - | 85,905,228 |
| Total Revenue | 81,919,224 | 82,397,695 | 3,507,533 | - | 85,905,228 | - | 85,905,228 |
| Local Cost | - | - | - | - | - | - | - |

In comparison to the final 2004-05 budget, it is projected that average monthly paid cases will increase by 1% in 2005-06 due to an increase in CalWORKs intake and the focus on placing clients into mandated welfare-to-work activities. Average monthly aid is projected to increase by 3% in 2005-06 due to changes in caseload makeup.

Funding impacts to the childcare programs made as a result of the state's final budget will require the department to manage childcare caseload so as to remain within the expenditure limitations of the allocations received from the state. Historically, information regarding allocations is received from the state in the latter part of the first quarter of the new fiscal year.

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